Auditors' Initials and Date

Manufacturer: _____   Review Date(s): _____

System: _____   Auditor(s): _____

Version: _____

Account #: _____   Project #: _____   _____

Manufacturer's Personnel	Position	Contact Information

Note: Bolded references indicate procedures/documents that must be performed/prepared by the system. With regard to the unbolded references, if the procedures/documents are performed/prepared by the system, the system will not be approved until those features either function in compliance with Nevada's regulatory scheme, are securely disabled in the system or are removed from the system. Underlined references indicate reports, records or source documents. The exact title for reports, records or source documents should be included in the comments column, where applicable.

General Controls

	Pass	Fail	N/A	Comments
General Controls				
1. Is the computer system, including application software, secured through the use of passwords or biometrics? Note: Other means may be approved by the Board upon submission. **IT MICS #3**				
2. Has the manufacturer supplied system documentation, including description of both hardware and software (including version numbers), operator manuals, etc? IT MICS #6				
3. Are user identification numbers/names and passwords controlled as follows unless otherwise addressed in this checklist:				
(a) When multiple identification numbers/names per application are used, is only one number active at a time and does the user name have a unique prefix/suffix to easily identify the users with multiple operator numbers? **IT MICS #7a**				
(b) On a quarterly basis, does the system prompt users to change passwords and then denies access if the change is not completed? Alternatively, are changes to passwords documented by the system? **IT MICS #7d**				
(c) Are passwords required to be at least four characters long?				
4. Are personnel access listings created which include at a minimum: (a) Employee name and title or position? (b) Employee identification? (c) Listing of functions the employee can perform or equivalent means of identifying same? **IT MICS # 9**				
5. If the system can be remotely accessed, do the controls only allow authorized vendor personnel access to the system? **IT MICS #15c** Document in the comments column what information the system records when it is remotely accessed. IT MICS #16				
6. Do the created reports include on all pages:				
(a) Document title?				
(b) Row/column headings?				
(c) Page number?				
(d) Version number of the current system software?				
(e) The date or time period of the activity?				
(f) The date and time the document was generated?				

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	Pass	Fail	N/A	Comments
7. If the system backs-up daily data files, does the backup feature function properly? **IT MICS #5a**				
8. Is in-house developed or purchased software programs backed-up? Backup of purchased software not required if software can be reinstalled by the vendor. **IT MICS #5b**				
9. Does the system directly store documents to unalterable media? If so,				
(a) Does the storage medium contain an exact duplicate of the original document? IT MICS #17a				
(b) Are all documents stored maintained with a detailed index containing the department and date? Regulation 6.040(1) & IT MICS #17b				
10. Is system exception information created (e.g. changes to system parameters, corrections, overrides, voids, etc.)? **IT MICS #8** Also, see step 35(e) below for Keno specific exceptions.				
11. Are IT personnel denied access to live data files? **IT MICS #11c**				
12. If the system is capable of generating security logs (e.g. multiple attempts to log on, denial of access to users after three tries, changes to live data file, etc.), are the logs accessible to IT supervisors for review? IT MICS #13 Describe items that the log lists.				
13. If the system accepts "other instrumentalities" are they in compliance with the chairman's letter approving the use of "other instrumentalities" in that the instrumentalities contain the name of the casino, city and state, dollar amount of the instrument (both alpha and numeric), date, time, sequence number, validation number, bar code, and expiration period or date when instrumentality will expire? **Regulation 12.100**				
REGULATORY COMPLIANCE **(The following steps, where applicable, should be verified/tested through the system)**				
14. Does the computerized customer ticket include the casino name, city, state, date, game number, ticket sequence number, station number, and conditioning (including multi-race if applicable)? **Keno MICS #1**				
15. Concurrently with the generation of the ticket, is the information on the ticket recorded on a restricted transaction log or computer storage media? **Keno MICS #2**				
16. Does the system restrict keno personnel from having unrestricted access to the restricted transaction log or computer storage media? **IT MICS #4 & Keno MICS #3**				
17. When a void is necessary, is the void information input in the computer and does the computer document the appropriate information pertaining to the voided wager (e.g., void slip is issued or equivalent				

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	Pass	Fail	N/A	Comments
documentation is generated)? **Keno MICS #4a(1)**				
18. If a ticket to be voided was written by a supervisor acting as a writer and the ticket is greater than $50, does the system require that a supervisor who is independent of the ticket written authorize the void? **IT MICS #4 & Keno MICS #4a(2)**				
19. Does the system prevent the writing and voiding of keno tickets after a game has been closed and after the number selection process for that game has begun? **Keno MICS #5**				
20. Are the controls in effect for keno ticket sales in outstations (if applicable) identical to those in effect for the primary keno game? **Keno MICS #6**				
21. Are the selected numbers immediately input into the computer that documents the date, game number, the time the game was closed, and the numbers drawn? **Keno MICS #9**				
22. If the system uses a random number generator (RNG), has the Electronic Services Division reviewed and approved the system's use of the RNG? **NRS 463.0155(4)** and **Keno MICS #13**				
23. Will the proposed installation preclude keno personnel precluded from having access to the RNG? Keno MICS #14				
24. Is the sequence number of the ticket presented for payment input into the computer and the payment amount indicated by the computer. **Keno MICS #15 & 65**				
25. Does the system preclude payment on tickets previously presented for payment, unclaimed winning tickets (late pays) after a period of time specified by management, voided tickets, and tickets that have not yet been issued? **Keno MICS #16**				
26. Are all payouts supported by the payout amount being indicated on the customer (computer-generated) copy of the winning ticket or a payment slip being issued? **Keno MICS #17**				
27. Do winning tickets in excess of the β site's specified dollar amount (not to exceed $10,000 for locations with more than $5 million in annual keno write and $3,000 for all other locations) require the approval of management personnel independent of the keno department? Keno MICS #20a				
28. Does the system record the above approval? Keno MICS #20e				
29. If so designed, when the keno game is operated by one person, does the system require authorization by a keno supervisor or by someone independent of keno for all winning tickets in excess of an amount to be determined by the β site (not to exceed $1,500)? **IT MICS #4** & Keno MICS #21				

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	Pass	Fail	N/A	Comments
30. Does the system accurately indicate the amount of net cash that should be in each writer station and is a supervisor required to access this information? **Keno MICS #22**				
31. If so designed, does the system create a cash summary report (count sheet) at shift end that includes:				
(a) The computation of the cash turned in for the shift and any variances between the cash turn-in and the amount of net cash that the computer system indicates should be in each writer station?				
(b) Signatures of two employees who have verified the cash proceeds turned in for the shift? Keno MICS #23				
32. If so designed, does the system record promotional payouts that are either deducted from gross revenue, or are greater than or equal to $100 and not deducted from gross gaming revenue and does the documentation maintained include the following:				
(a) Date and time?				
(b) Dollar amount/value of payout?				
(c) Reason for payout?				
(d) Signature(s) of the following number of employees verifying, authorizing, and completing the promotional payout:				
1) Two employee signatures for all payouts of $100 or more?				
2) One employee signature for payouts of less than $100 that are deducted from gross gaming revenue? Keno MICS #25				
33. If so designed, does the system record promotional payouts less than $100 that are not deducted from revenue and is documentation created to support bank accountability? Keno MICS #26				
34. Does the system restrict the documentation referred to in the following question to only authorized personnel? **IT MICS #4 & Keno MICS #30**				
35. Does the system generate documentation of all keno information (**Keno MICS #29)** and does the documentation include, at a minimum:				
(a) Ticket information including: date, game number, ticket sequence number, station number, and conditioning, including multi-race if applicable?				
(b) Payout information (e.g., date, time, ticket number, amount, etc.)?				
(c) Game information (e.g., number, ball draw, time, etc.)?				
(d) Daily recap information which includes:				
1) Write?				
2) Payouts?				
3) Gross revenue (a.k.a. win)?				
(e) System exception information, including:				
1) Voids?				
2) Late pays?				
3) Appropriate system parameter information (e.g., changes in pay tables, ball draws, and payouts over the predetermined amount,				

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	Pass	Fail	N/A	Comments
etc.)? **Keno MICS #31(a) – (e)**				
36. If so designed, does the system correctly produce records which include win and write by individual writer for each day? Keno MICS #32				
37. If so designed, does the system create, from the daily keno recap information, a keno revenue summary that is for:				
(a) Each shift (unless the keno game operates on a single 24-hour shift basis)?				
(b) Each day?				
(c) Month-to-date?				
(d) Year-to-date? Keno MICS #33				
38. Are the components of the above revenue in compliance with the definitions at NRS 463.0161, NRS 463.3715(1), (3) & (5) and Regulation 6.110(3), (6) & (8)?				
39. Are there statistical reports created by month and year-to-date which indicate total amount of wagers accepted, total amount paid out on winning wagers, the net amount won by the book and the win-to-write percentage? Regulations 1.080, 1.085, 1.090 and 6.040(2)(c)				
40. If so designed, are all contest/tournament entry fees and prize payouts summarized on an accountability document daily? Keno MICS #37 And is the following information recorded on a payout document:				
(a) Patron's name?				
(b) Date of entry/payout?				
(c) Dollar amount of entry fee/payout (both alpha and numeric)?				
(d) Line for signature/initials of individual completing transaction?				
(e) Name of contest/tournament? Keno MICS #38				
41. If so designed, does the system accurately summarize at least monthly, the contest/tournament fees and payouts for posting to the accounting records? Keno MICS #39				
42. If so designed, does the system accurately produce a report regarding contests/tournaments that includes:				
(a) The name of the event?				
(b) The date(s) of contest/tournament?				
(c) The total number of entries?				
(d) The dollar amount of entry fees?				
(e) Total prize pool?				
(f) The dollar amount paid for each winning category?				
(g) The name of each winner (winner's names are not made available to the participants unless authorized by management personnel)? Keno MICS #41				
43. If so designed, does the system correctly perform the following audit procedures:				

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	Pass	Fail	N/A	Comments
(a) Foot the write on the restricted copy of the keno transaction report for a minimum of one shift and compare the total to the total as documented by the computer? Keno MICS #44				
(b) Compare the total of payouts per the customer copy of tickets and trace to total produced by the system? Keno MICS #45a				
(c) Regrade at least 1% of the winning tickets using the payout schedule and draw information? Keno MICS #45b				
(d) Regrade all winning tickets greater than or equal to $1,500? Keno MICS #46c				
(e) When the keno game is operated by one person or when any person performs the writer and deskman functions on the same shift, regrade all winning tickets in excess of $500 and at least 10 other winning tickets per week? Keno MICS #47a & #48				
44. If so designed, and an RNG is used, does the system produce a numerical frequency distribution report for the previous four weeks? Keno MICS #46f				
45. If so designed, and a manual ball draw device is used, does the system generate a numerical frequency distribution report for the previous four weeks? Keno MICS #46g				
46. If so designed, does the system notify keno personnel immediately of large multi-race winners (see Question #27) to ensure compliance with Keno MICS #20? Keno MICS #60				
47. If so designed, does the system notify keno personnel of multi-race tickets still in process at the end of a shift? Keno MICS #61				
48. If so designed, does the system ensure all games encompassed by a multi-race keno ticket are completed within 14 days of the wager being placed? Keno MICS #62				
49. If so designed, does the system record a winning mail pay keno tickets on a log? With at least the date received, the patron's name and the keno ticket number? Keno MICS #64				
50. If the system records, increments and pays out in-house progressive jackpots:				
(a) If so designed, does a log record the base amount and the amount of the jackpot at least once a day?				
(b) If so designed, are changes to the rate of progression correctly noted in the system records? Regulation 5.110(2) & (3)				
51. If the keno system has an inter-casino linked system component, does it:				
(a) In the case of a progressive payoff schedule that increases as the inter-casino linked system is played, have a minimum rate of progression for the primary jackpot meter of not less than .4 of one percent of amounts wagered? **Regulation 14.045(1)**				
(b) In the case of a progressive payoff schedule that increases over time, have a minimum rate of progression for the primary jackpot meter of not				

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	Pass	Fail	N/A	Comments
less than one hundred dollars per day? **Regulation 14.045(1)**				
(c) Allow an operator to limit a progressive payoff schedule as allowed by Regulation 5.112(5), "if so designed"?				
(d) Have a method to secure data transmissions between the games and devices and the main computer of the operator, as approved by the board? **Regulation 14.045(2)**				
52. If the linked system records, increments and payouts inter-casino progressive jackpots:				
(a) Is a log created which records the base amount and the amount of the jackpot at least once a day?				
(b) Are changes to the rate of progression noted in the system records? Regulation 5.112(3) & (4)				
53. Does the inter-casino system create the following records:				
(a) All progressive payoff schedule payout verification documents?				
(b) Exception reports?				
(c) End-of-day reports?				
(d) Progressive payoff schedule reports?				
(e) Machine performance reports?				
(f) Weekly reconciliation reports?				
(g) Contribution to progressive payoff schedule reports? Regulation 5.180(2)(h)				
54. If the β site places an aggregate payout limit (a maximum payoff amount that will be paid by a licensee to two or more patrons as the result of winning wagers resulting from any single call of the game) on its keno game is:				
(a) The aggregate payout limits not combined for different types of wagers?				
(b) Each separate aggregate payout limit established for the game or bonus feature not an amount which is less than the highest award with the minimum wager required to play the game or bonus feature?				
(c) The aggregate payout limits' calculation correct? Regulation 5.190(1), (2) & (3)				
TEST OF TRANSACTIONS				
55. Have the manufacturer set up for three days of testing. Each test day should have at least two shifts. There should be enough games per day to play each type of game covered by the system. The payout schedule should be the same that will be at the β site.				
56. Have the manufacturer set up any in-house progressives, inter-casino linked progressives, contest/tournaments and free play that will be offered by the β site.				
57. Obtain a copy of the β site house rules for normal play and the items listed in the above step. Also get a copy of the payout schedules. Compare rules to the				

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	Pass	Fail	N/A	Comments
system's pay tables and set-up.				
58. Draft preliminary ball draws and write tickets designed to fully test the system.				
59. Have the manufacturer set the period for purging unpaid tickets at two days.				
60. Have the manufacturer set up keno and accounting employees in the system. Review the access listing for segregation of duties and controls. Print a new access listing after changes are made.				
61. Verify that the times on all components of the system are the same.				
62. Verify that the data base has been cleared of previous transactions. Run reports that would have MTD and YTD totals. These should all show zero balances or no activity.				
63. Open one or more writers' stations. Include a "speed keno" game if available. If testing an inter-casino linked component, open multiple locations.				
64. Write enough tickets to test the pay tables. Write single game tickets; multi-game tickets 20 games & less; and multi-game tickets over 20 games up to the β sites limit.				
(a) Straight numbers				
(b) Way tickets				
(c) Special tickets				
(d) Progressive buy-in				
(e) Inter-casino linked progressive buy-in				
(f) Contests/Tournaments				
(g) Free play				
65. Attempt to write a ticket after the game has been closed.				
66. Attempt to write a straight ticket with more than the highest number of spots offered by the β site.				
67. Attempt to write a multi-race ticket with more than the maximum number of races offered by the β site.				
68. Attempt to write a way ticket without betting on all possible ways (i.e., three groups of two will produce three four spots).				
69. Void sales from each type of sale:				
(a) Void after calling of game begins				
(b) Void after calling of game ends				
(c) Void multi-game ticket after some games have been called but before all games are called.				
70. Attempt to change ball draw on an RNG game.				
71. Attempt to payout on a ticket not yet written.				
72. Attempt to payout on a voided ticket.				

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	Pass	Fail	N/A	Comments
73. Attempt to payout on a previously paid ticket.				
74. Attempt to payout on a losing ticket.				
75. While playing the games verify the proper handling of winning tickets and payouts.				
76. Attempt to make late pays:				
(a) Single game ticket				
(b) Multi-game ticket 20 games or less				
(c) Multi-game ticket over 20 games				
77. Perform exception type activities (before, during after the start of a game):				
(a) Void				
(b) Over limit payouts				
(c) Cash transfers in/out				
(d) Unpost ball draws				
(e) Change system time				
(f) Add employee				
(l) Change employee's access				
(j) Delete employee				
(j) If configurable, have system request password change				
78. Progressive (in-house and inter-casino linked):				
(a) Sell enough progressive buy-ins to verify progression				
(b) Sell enough tickets to exceed the progressive cap if one is set.				
(c) Cause progressive jackpot(s) to be won				
(d) Verify that base is reset properly				
79. If the system calculates inter-casino linked jackpot allocation, verify the allocation formula.				
80. Perform end-of-shift procedures.				
81. Perform end-of-day procedures.				
82. Foot and cross foot all reports and trace information listed on each individual report to the session/shift/daily summaries.				
83. Foot and cross foot the recap/reconciliation report and verify that all information is accurate.				
84. Foot all tickets written, paid and voided and trace to their respective reports (Write, Paid, Unpaid, In-Process, Void, etc.).				
85. Regrade all tickets and confirm to amount branded on the ticket (paid tickets) and the amount listed in their respective report (unpaid and paid).				
86. Verify the "exception activity" performed was posted to the exception reports.				
87. Tick mark and tie all reports together to the recap/reconciliation report.				

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